

**Notes forming part of Audited Financial Results of the Bank
for the year ended March 31, 2011**

1. The above audited financial results have been approved by the Board of Directors of the Bank at their Meeting held on 23.04.2011.
2. Board of Directors have recommended dividend* of ₹7.50 (75%) per Equity Share and 10 % p.a. for the Perpetual Non-Cumulative Preference Share Capital of ₹400.00 crore held by Government of India.
3. The working results of the Bank for the year ended March 31, 2011 have been arrived at after considering Provision for Non-Performing Advances, Non-Performing Investments, Depreciation on Investments, Standard Advances and other usual and necessary provisions.
4. A sum of ₹92 crore has been charged to Profit & Loss Account towards transitional liability on proportionate basis for the year in compliance with the Revised AS -15 on Employee Benefits and the remaining unrecognized transitional liability is ₹92crore.
5. In accordance with the provision of RBI circular no. DBOD.BP.BC.80/21.04.018/2010-11 dated 09.02.2011, an amount of ₹33.20 crore has been charged to Profit & Loss Account for the year towards the additional Gratuity fund requirement of ₹166 crore arising on account of amendment made to Payment of Gratuity Act, 1972, which is being amortised over a period of five years from this year. Remaining unrecognized gratuity fund liability carried forward is ₹ 132.80 crore.
6. In accordance with RBI circular no. DBOD.BP.BC.80/21.04.018/2010-11 dated 09.02.2011, one-fifth of the additional pension fund liability of ₹ 813.22 crore towards serving employees, who exercised second option and 100% of such liability of ₹148.38 crore towards retired / separated employees aggregating to ₹ 310.98 crore has been reckoned for this year and after reckoning the available pension fund, a net sum of ₹153.06 crore has been charged to Profit & Loss Account. Unrecognised Pension Fund liability carried forward is ₹ 650.62 crore.
7. During the year, Bank has issued Lower Tier II Bonds for ₹ 500 crores and Upper Tier II Bonds for ₹ 500 crores
8. During the year, Non-Performing Financial Assets aggregating to ₹ 347.40 crore (net of provisions) were sold to Asset Reconstruction Companies. In line with the guidelines of Reserve Bank of India, net surplus ₹ 46.14 crore arising out of these sales is not recognised in Profit and Loss Account and is kept separately.
9. Non Performing Loan Provisioning Coverage Ratio is 84.30% as on 31st March 2011.
10. Corresponding previous period / quarter ended figures have been regrouped / reclassified, wherever necessary.
11. The number of investors' complaints received and disposed off during the period from 1st January 2011 to 31st March 2011 are as under:

Beginning : Nil	Received : 30	Disposed off : 30	Closing : Nil
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Rajeev Rishi
Executive Director

V RamaGopal
Executive Director

T M Bhasin
Chairman & Managing Director

* subject to Govt. approval.

Place: Chennai

Date : 23.04. 2011